

Academic Year: (2021 / 2022)

Review date: 10-06-2021

Department assigned to the subject: Business Administration Department

Coordinating teacher: BAFUNDI , ANDREA

Type: Electives ECTS Credits : 6.0

Year : Semester :

REQUIREMENTS (SUBJECTS THAT ARE ASSUMED TO BE KNOWN)

Introduction to Accounting

Financial Accounting

It is an advanced subject. Then, it is necessary to have all the knowledge of the subjects of Accounting I and Financial Accounting. Students are advised to review the materials of the previous subjects.

OBJECTIVES

By the end of the course students should be able to:

- Advanced knowledge of international accounting regulation.
- Analyse, account and interpret complex transactions from an accounting perspective.
- Solve any new accounting problem using the knowledge acquired in this and previous courses.
- Understand the effect of accounting policies on the figures reported on the financial statements.
- Deal with particular problems related to advanced international accounting issues.

Skills development:

- Initiative and self-learning.
- The ability to select and assign priorities within restricted resources and to organize work to meet tight deadlines.
- Work in teams.
- Present, discuss, report and defend views effectively.
- Be able to deal with complex accounting issues.

Attitudes:

- Compliance with the fundamental ethical principles.
- Commitment to continual improvement and lifelong learning.
- Critical thinking and analysis of situations.

DESCRIPTION OF CONTENTS: PROGRAMME

Part I: Introduction to international accounting

1. The regulatory framework. Differences National GAAP-IAS/IFRS-US GAAP.
2. Presentation of financial statements.
3. Accounting policies, estimates and errors (IAS 8).

Part II: Topics in international accounting

4. Accounting for biological assets (IAS 41).
5. Non-current assets. Advanced topics:
 - 5.1. Borrowing costs (IAS 23).
 - 5.2. Government grants (IAS 20).
 - 5.3. Licenses (IAS 38).
 - 5.4. Fair value measurement (IFRS13).
 - 5.5. Goodwill (IFRS 3).
6. Impairment of assets (IAS 36):
 - 6.1. Impairment tests and recoverable amounts. Reversals.
 - 6.2. Cash-generating units.

7. Accounting for Leases (IAS 17, IFRS 16):
 - 7.1. Operating and finance leases.
 - 7.2. Sale and leaseback transactions.
8. Provisions and events after the reporting period:
 - 8.1. Provisions, contingent liabilities and contingent assets (IAS 37).
 - 8.2. Adjusting and non-adjusting events.
 - 8.3. Going concern issues arising after end of the reporting period.
9. Revenues recognition and performance measurement (IFRS 15):
 - 9.1. IFRS 15 and the five-step model.
 - 9.2. Identifying performance obligations. Determining and allocating transaction price.
 - 9.3. Satisfaction of performance obligations and contract costs.

Part III: Advanced topics in international accounting

10. Financial reporting in hyperinflationary economies (IAS 29):
 - 10.1. Financial Statements at historic cost and current value.
 - 10.2. Economies which stop being hyperinflationary.
11. Related party transactions and changes in foreign exchange rates:
 - 11.1. Control and significant influence (IAS 24).
 - 11.2. Related parties transactions. Disclosure (IAS 24).
 - 11.3. Foreign exchange accounting. Gain and losses with foreign currency (IAS 21).
 - 11.4. Translation to a presentation currency (IAS 21).
12. Earnings-per-share (IAS 33):
 - 12.1. Basic and diluted EPS.
13. Segment reporting (IAS 8):
 - 13.1. Operating segment.
 - 13.2. Reportable segments.

Part IV: Specialized Topics in International Accounting: Not-for-profit, and Public sector

14. Accounting for Not-for-profit (NPOs):
 - 14.1. Definition of NPOs.
 - 14.2. IFRS for SMEs. Adaptation to Non-for-profit.
15. Public Sector Accounting:
 - 15.1. Public Sector Entities.
 - 15.2. International Public Sector Accounting Standards (IPSAS).
16. Disclosures in financial statements of banks and building societies
 - 16.1. Accounting policies and financial statements.
 - 16.2. Specific contingencies and commitments.

LEARNING ACTIVITIES AND METHODOLOGY

Students will learn the theory related to this course with the guidance and material provided in class. This knowledge will be practiced and mastered through practical classes and tutorials. Moreover, students would work and practice the knowledge absorbed in class with homework and resolutions of cases in class. This course consists of 6 ECTS (3 ECTS related to theory, 2 ECTS to team work and 1 ECTS to individual work). The objective of the theory classes is to learn advanced and complex topics in accounting which will be mastered and assess with practical classes.

ASSESSMENT SYSTEM

The evaluation is solely based on the continuous assessment of all the tests from September to December, included.

The continuous assessment consists of a group presentation in class, two group tasks in class, and two individual tests in class.

At the beginning of the course, the minimum and the maximum number of students per group will be disclosed, and it will depend on the number of students enrolled. Students will have to form their groups at the beginning of classes. The same group will deal with both the presentation and the two tasks. The students will not be able to change their groups, once it is formed.

- Group presentation:
- At the beginning of the course, the content and modalities of the group presentation will be

communicated. Participation and attendance to the group assignment are required for all students (see timetable). Lack of attendance on the day of the presentation will be considered as not having participated in it.

- Two group tasks:
- Students will have to carry out both groups tasks during the seminar hours (see timetable).

Lack of attendance on the days of the tasks will be considered as not having participated in it.

- Two individual tests:
- Students will face two individual tests (see schedule).

100% continuous assessment:

- Group presentation: 10%
- Group tasks: 30%
- Two individual tests:
- First individual test (see schedule): 30%
- Second individual test (see schedule): 30%

All continuous assessment tests will take place between September and December.

% end-of-term-examination:	0
% of continuous assessment (assignments, laboratory, practicals...):	100

BASIC BIBLIOGRAPHY

- MELVILLE, A International Financial Reporting: A practical Guide., Pearson International, 2017
- Wiley Wiley 2019 Interpretation and Application of IFRS Standards, John Wiley & Sons, Ltd, 2019